

Thursday, October 4, 2007

House Meets At...	Votes Predicted At...
10:00 a.m. For Legislative Business	Last Vote:
Five "One-minutes" Per Side	

Any anticipated Member absences for votes this week should be reported to the Office of the Majority Whip at 226-3210.

Floor Schedule and Procedure

- **H. Res. 703—Rule to providing for consideration of H.R. 3648 – Mortgage Forgiveness Debt Relief Act of 2007 (Rep. Cardoza-Rules):**
The closed rule provides one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in the Rules Committee report, shall be considered as adopted and the bill, as amended, shall be considered as read. The rule provides one motion to recommit with or without instructions.
 - One hour of debate on the rule.
 - Possible vote on a Democratic motion to move the previous question. **Democrats are urged to vote yes on the motion.**
 - Vote on adoption of the rule. **Democrats are urged to vote yes on adoption of the rule.**
- **H. Res. 704—Rule to provide for consideration of H.R. 3246 – Regional Economic and Infrastructure Development Act of 2007 (Rep. Arcuri-Rules):** The closed rule provides one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendment printed in the Rules Committee report, shall be considered as adopted. The rule provides one motion to recommit H.R. 3246 with or without instructions. Debate on the rule will be managed by Rep. Arcuri, and consideration will proceed as follows:
 - One hour of debate on the rule.
 - Possible vote on a Democratic motion to move the previous question. **Democrats are urged to vote yes on the motion.**
 - Vote on adoption of the rule. **Democrats are urged to vote yes on adoption of the rule.**

- **COMPLETE CONSIDERATION of H.R. 2740 – MEJA Expansion and Enforcement Act of 2007 (Rep. Price (NC) – Judiciary):** The bill was debated on Wednesday. Consideration will be completed in the following order:
 - Possible debate and vote on a Republican motion to recommit the bill.
 - Vote on final passage of the bill. **Democrats are urged to vote yes on final passage.**

- **H.R. 3246 – Regional Economic and Infrastructure Development Act of 2007 (Rep. Oberstar – Transportation and Infrastructure:)**
 Pursuant to the rule, debate on the bill will be managed by Transportation and Infrastructure Committee Chair Rep. James Oberstar, or his designee, and will proceed as follows:
 - One hour of debate on the bill.
 - Possible debate and vote on a Republican motion to recommit the bill.
 - Vote on final passage of the bill. **Democrats are urged to vote yes on final passage.**

- **H.R. 3648 – Mortgage Forgiveness Debt Relief Act of 2007 (Rep. Rangel – Ways and Means):** Pursuant to the rule, debate on the bill will be managed by Ways and Means Committee Chair Rep. Charles Rangel, or his designee, and will proceed as follows:
 - One hour of debate on the bill.
 - Possible debate and vote on a Republican motion to recommit the bill.
 - Vote on final passage of the bill. **Democrats are urged to vote yes on final passage.**

Bill Summary and Key Issues

H.R. 3246 – Regional Economic and Infrastructure Development Act of 2007

Authorizes Five Regional Economic Development Commissions. H.R. 3246 provides a comprehensive regional approach to economic and infrastructure development in the most severely economically distressed regions in the nation. H.R. 3246 authorizes five regional economic development commissions under a common framework of administration and management, and provides a structure for economic development decision-making and planning. These commissions are designed to address problems of systemic poverty and underdevelopment in their respective regions. The Delta Regional Commission and the Northern Great Plains Regional Commission are existing entities that are reauthorized in this legislation, while the others have been proposed in legislation introduced in this and previous Congresses.

Geographic Coverage by Each Commission. The Delta region would consist of certain counties in Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee. The Northern Great Plains Regional

Commission would consist of all counties in Iowa, Minnesota, Nebraska, North Dakota, and South Dakota and, as amended, 26 counties in Missouri. The Southeast Crescent Regional Commission would consist of all counties in Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida not already served by another commission. The Southwest Border Regional Commission would consist of certain counties Arizona, California, New Mexico, and Texas. The Northern Border Regional Commission would consist of certain counties in Maine, New Hampshire, New York and Vermont.

Management and Administration. This bill models the administrative and management procedures for these five commissions after the highly successful Appalachian Regional Commission. The bill establishes commission membership, voting structure, and staffing; outlines conditions for financial assistance; authorizes grants to local development districts; establishes an Inspector General for the commissions; and other provisions designed to produce a standard administrative framework. By providing a uniform set of procedures, this bill provides a consistent method for distributing economic development funds throughout the regions most in need of such assistance and ensures a comprehensive regional approach to economic and infrastructure development in the most severely distressed regions in the country.

Funding for Commissions. H.R. 3246 authorizes the appropriation of \$1.25 billion over the 2008-2012 period to establish five regional economic development commissions under a common framework of administration and management, and provides a structure for economic development decision-making and planning. H.R. 3246 directs the five regional commissions to award grants to state and local governments, Indian tribes, and nonprofit organizations to promote economic and infrastructure development. At least 40 percent of the authorized funds would be used for grants to develop transportation, telecommunications, and other basic public infrastructure. Remaining funds would be used for other economic development activities, such as providing job training, improving public services, and promoting conservation, tourism, and development of renewable and alternative energy projects.

H.R. 3648 – Mortgage Forgiveness Debt Relief Act of 2007

Permanent exclusion from gross income of discharged home mortgage indebtedness. The bill would amend current law, which requires taxpayers to include discharges of mortgage indebtedness as income and to pay tax on this income. The bill would provide a permanent exclusion for any discharge of indebtedness (on or after January 1, 2007) which is secured by a principal residence and which is incurred in the acquisition, construction, or substantial improvement of the principal residence. Instead of including this amount as income, the basis of the individual's principal residence would be reduced by the amount excluded from income under this bill. *This proposal is estimated to cost \$1.379 billion over 10 years.*

Long-term extension of the deduction for private mortgage insurance. The bill extends the deduction for private mortgage insurance for seven years (through the end of 2014). Current law limits the deduction for private mortgage insurance to payments made prior to the end of 2007. The bill would provide that payments will qualify for this deduction whenever they are paid so long as the

contract is entered into after 2006 and before 2015. *This proposal is estimated to cost \$570 million over the next 10 years.*

Modification of the qualification tests for cooperative housing

corporations. The bill would modify the requirements for qualifying for the special rules available to cooperative housing corporations. Under current law, a cooperative housing corporation must meet several requirements, including a requirement that 80 percent or more of the cooperative housing corporation is earned from the corporation's tenant-stockholders. The bill would provide two alternatives to this 80 percent rule (i.e., one based on square footage and another based on cooperative expenditures). These two alternatives will make it easier to qualify as a cooperative housing corporation. *This proposal is estimated to cost \$22 million over 10 years.*

Modification of exclusion of gain on sale of a principal residence. The bill amends the current law exclusion of up to \$250,000 (\$500,000 if married filing a joint return) of gain realized on the sale or exchange of a principal residence. Under current law, the sale of a home will qualify for this exclusion if the home is a taxpayer's principal residence for at least two of the five years ending on the sale or exchange. This exclusion applies even if the home was initially purchased as a second home. Under the bill, if a taxpayer moves their principal residence to a second home, the taxpayer will only be able to utilize this exclusion to the extent that it relates to the period of time when the home was first used as a principal residence. The bill grandfathers use before 2008. *This proposal is estimated to raise \$2.005 billion over 10 years.*

H.R. 2740 – MEJA Expansion and Enforcement Act of 2007

H.R. 2740, the MEJA Expansion and Enforcement Act, addresses two major concerns regarding the operation of contractors in war zones:

The bill amends the *Military Extraterritorial Jurisdiction Act* (MEJA) to ensure that all contractors are accountable under U.S. criminal law; and

The bill mandates that the Department of Justice, through the FBI, enforce MEJA by investigating and prosecuting offenses under the law.

MEJA Expansion. There are an estimated 180,000 or more contractors working in Iraq under contracts awarded by the Department of Defense, the State Department, the U.S. Agency for International Development, and other federal agencies. MEJA only extends U.S. federal criminal jurisdiction to felony crimes committed overseas by contractors working for the Defense Department. For example, in the widely reported incident of September 17, 2007, in which 11 Iraqi civilians were killed, there is no clear authority for holding the State Department-contracted employees involved legally accountable. H.R. 2740 would amend MEJA to ensure that all contractors working in war zones – regardless of contracting agency – would be held accountable under U.S. law.

MEJA Enforcement. A law by itself is not enough; the law must be proactively enforced. Given the unstable environment in Iraq, the enforcement of MEJA requires adequate law enforcement assets within the theater of conflict to enable the immediate investigation of allegations of criminal activity. H.R. 2740 would establish FBI in-theater units to investigate every incident for which there is

reasonable suspicion of criminal felony misconduct. The bill would also require the Department of Justice Inspector General to examine the number and nature of alleged incidents of misconduct thus far, along with the number of investigations, indictments, and/or prosecutions involving such cases.

Quote of the Day

'Whatever America hopes to bring to pass in the world must first come to pass in the heart of America.' -Dwight D. Eisenhower

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